

Prudence Island Water District

Minutes of meeting held 11/27/04

The meeting was called to order at 2:05 p.m. Present were Richard Brooks, Moderator Pro Tem; Patricia Richard, Clerk; Bob Hanson and David Buffum. Absent was Alexander Stowe.

2. Approval of Minutes – Mr. Buffum moved to approve, seconded by Mr. Hanson, voted unanimously.

3a. Appointment of officers – No progress. Ms. Richard asked Mr. Buffum if he had made up a notice. Mr. Buffum said he had not. Mr. Brooks said that the board must find officers because the election was not far away. Ms. Richard said that people would need to be pressed into serving because the positions could not be left vacant much longer.

3b. Bylaws – Mr Buffum suggested that the board review the draft bylaws that he had presented at the previous meeting. Ms. Richard said that in Section A-2 regarding applications for service, nothing was mentioned about the District's duty to provide bylaws to the applicant. Mr. Buffum said that it would be part of the application package. He said that Mr. Stowe was working on the actual application.

Ms. Richard said in Section A-6, she did not know what a minimum

fee referred to. Mr. Buffum said that in the present billing structure it would be an entire year's billing. Mr. Brooks asked if that amount should be reduced to 6 months billing. Mr. Hanson said that billing should be done quarterly to avoid cash flow problems. Ms. Richard said that it would be more costly to bill quarterly. She suggested that perhaps it could be billed in the same way that Portsmouth sends tax bills, with an annual mailing and four billing "tickets". Mr. Hanson expressed doubt that such a procedure would work efficiently. Mr. Brooks said that if the district were to impose seasonal rates that it might make more sense to bill quarterly. Mr. Buffum said that perhaps a billing structure in which the service fee was separate from the metered charges would be most practicable. Mr. Hanson said that a quarterly billing would help with cash flow and prevent customers from becoming too far in arrears.

Mr. Hanson said that in Section E-32-g, the words "such as wells" should be added. He said that wells would be the most common alternative supply source and to add the phrase would make the section more specific.

Mr. Hanson pointed out that in Section E-36 that the last sentence was truncated.

Ms. Richard said that in D-24b, mention of private fire service was made. She asked what private fire service is. Mr. Buffum said that it referred to a sprinkler system. He said that he would add private fire

service to the definitions. Mr. Brooks said the issue had to be addressed for places like the PIA that might be required to have sprinkler systems under the new state fire codes. Ms. Richard said that the whole fire service issue needed to be discussed as it was her understanding that there was no actual “fire service” on the island. Mr. Brooks said that a bylaw prohibiting pumping directly from a hydrant needed to be included. Mr. Buffum said that such a statement was included in the latest draft of bylaws.

Ms. Richard asked Mr. Buffum if in Section H-46 regarding indemnification that section meant that the district was obligated to provide liability insurance to directors, officers, employees and agents. Mr. Buffum said that was what that paragraph meant. Ms. Kim Greene said the district could agree to take on the costs of indemnification but that it was better to have insurance.

Ms. Richard said that she had seen something in the bylaws about board members being bonded and asked what that was about. Mr. Buffum said it was Section 58 and asked if the board needed to be bonded because they would be handling money. Ms. Richard said that bonding was a quite invasive procedure and did not know what it would cost. Ms. Greene said that she would make inquiries of Sandra Mack about whether bonding for the board would be required.

Ms. Richard said that Sections 58-61 and Section 47 were already in the charter. Mr. Brooks asked if applicants were required to read the

charter. Ms. Richard said that these sections referred to the rights of the board and were already law and the applicant did not need to agree to it. Mr. Buffum said that it would be more to inform the public. Mr. Brooks asked if it was alright to duplicate parts of the charter in the bylaws. Ms. Greene said she thought that it was. Mr. Hanson said that it would best to keep the bylaws as short as possible. Ms. Richard agreed with Mr. Hanson.

Mr. Buffum said that Mr. Stowe was working on an application for service and drought restrictions.

3c – Admin priorities – Ms. Richard said that she was continuing to attempt to contact RI Risk Management Trust and still did not have the paperwork. She said that she was considering going to their office to get the paperwork as she was losing patience with the slow response.

Mr. Brooks asked if the district had received the \$5000 direct support from Dept. of Admin. Ms. Richard said that she had spoken to Jeff Gofton and that he had said that it could take a long time for them to cut the check, but that he had heard from Portsmouth and everything should be in place to begin drawing money from them. She said that she had tried to contact Portsmouth Administrator but because of the holiday it had been difficult to connect with him.

3d – Technical priorities. Mr. Brooks recapped activities surrounding

the procurement of engineering survey and said that he had emailed the board's concerns about the contract to Bill McGlinn. His reply had been that the contract was mostly standard language for engineering firms. He said that in order for another firm to produce similar work would probably be twice as expensive. Ms. Richard said that the computer model alone would be expensive to produce and that it might be a good idea to get quotes on just that segment in order to establish to the satisfaction of funding agents that C&E qualified as a sole source provider of this particular survey. Mr. Brooks said that he and Mr. Hanson had made inquiries to some firms about proposals. He said that he had heard from USDA RUS and that they had suggested coming to their office to fill out the paperwork for the grant application.

Mr. Brooks said that at this point concerns about the contract were holding up the process. Ms. Richard said she believed C&E would be the best firm for the project, and since the vote had been taken it couldn't be undone even if they were not the best firm. Mr. Brooks said that he had expected to discuss the matter privately with board members before a vote was taken. Ms. Richard said that she was unhappy with the voting procedure at the previous meeting and believed that a written policy for procurement voting should be composed to avoid a recurrence.

Mr. Hanson said that he would be talking to other engineers in order to establish that C&E was indeed the best choice. Ms. Richard said

that contacting other engineers in order to get a sense of their capabilities for future engineering work could be helpful. She said that even though C&E was probably the best choice for pre-development survey that she had not been entirely happy with Mr. Nicholson's statements about sequestering. Mr. Brooks said that Mr. Nicholson gave the PIUC the only options that they could afford. Ms. Richard said that she wanted alternatives to sequestering and did not feel that Mr. Nicholson was willing to provide them. Mr. Brooks said that funding was in place to help small water districts address water quality issues. He pointed out that even though the water from Mill Creek appeared of good quality that it had bacterial problems. Mr. Buffum asked if in fact was not less costly to treat bacterial problems than it was to address the problems associated with iron and manganese. Mr. Brooks said that treatment options such as ozone and ultraviolet were meant for very small water systems and might not be viable on a larger scale. Mr. Brooks said that the loan applications Mr. Levy presented to the board included looking for alternative water sources.

Mr. Brooks said that at some point funding options for improvements was going to run out and that the district would need to shoulder the cost of improvements on its own. Ms. Richard said that one reason she wanted to do a water quality survey was to quantify the hidden costs associated with poor water quality so that rate increases could be properly explained to the consumer and to funding agencies.

Mr. Hanson said that Northeast Engineering was interested in coming to the island for a meeting.

Mr. Brooks said that when the predevelopment engineering survey was done that the district would have no choice but to pay for backhoe services.

Mr. Buffum said that C&E was aware of the USDA funding cycle but that in the terms and conditions billing called for a lump sum payment within 30 days. Mr. Brooks said that he had voiced that concern in an email to Mr. Nicholson. Ms. Richard pointed out that it would be a mistake to assume that simply because a grant was being applied for that it would be approved, and that the district must be prepared to pay for the engineering survey from other sources of funding should the application be rejected.

Mr. Buffum asked Ms. Greene if she had any comment on the terms and conditions of the predevelopment engineering contract. Ms. Greene said that she did have concerns and that she wasn't sure what the rush to sign the contract was. She said that would not recommend signing a contract that was entirely to the benefit of the vendor and that it was not a negotiated deal. Mr. Brooks said that an email had been sent to Mr. Nicholson outlining all of the concerns.

Ms. Richard said that Mr. Nicholson had been told he was hired and that the board could not rescind that decision. Mr. Hanson disagreed

and said it was done all the time in Portsmouth. Ms. Greene said that she thought the board could rescind the vote and gave an example of a firm going bankrupt as a valid reason for rescinding a decision. Mr. Brooks asked who told Mr. Nicholson that he was hired. Ms. Richard said that Mr. Stowe had congratulated Mr. Nicholson and told him he was hired. Mr. Hanson said that Mr. Nicholson was told that the board would look over the contract first. Ms. Richard said that he was told that he was hired prior to that. She presented the board with text from Robert's Rules of Order regarding reconsideration and rescinding of votes in which votes in the nature of a contract in which the party had been informed could not be rescinded. She said that under the circumstances if an agreement could not be reached with C&E that the district might be compelled to pay them anyway.

3d – Sources of funding – Mr. Brooks asked if this agenda item should be expanded to include discussion funding day-to-day operations of the water system. Ms. Richard said that once the district acquires PIUC it will have a revenue stream but until that point a discussion of rates and fees would not be relevant.

Ms. Richard said that she had completed the draft of the application for mini-grant from the RI Foundation. She also said that another grant was available entitled Media Project Grant that might be more appropriate for the proposed project. She asked Ms. Greene if she had an opinion about which grant would be better, since she had worked with RI Foundation in the past. Ms. Greene said that the

foundation was interested in the project and had seen the web site and liked it. Ms. Richard said that she had budgeted the project and had come up with a total of \$2241, and that with the required 100% match could ask for only \$1120. She asked Ms. Greene if she would be interested in looking over the grant application. Ms. Greene said she would.

3e – 2005 Calendar. Mr. Brooks suggested moving the meeting time to 1 p.m. so that the end of the meeting wouldn't conflict with the ferry schedule. Board members agreed that it would be more convenient if it were held earlier. Mr. Buffum asked if other meetings held at the fire station might conflict with the district meetings. Ms. Richard said that the planning commission meets in the morning and that the fire dept. also meets in the morning.

Ms. Richard suggested that after the meeting scheduled for Dec. 11 that the board take a holiday hiatus until Jan. 8, 2005. Mr. Buffum asked if an issue came up how would the board deal with that. He cited the C&E contract as an example. Ms. Richard said that she hoped the contract issue would be resolved before the next meeting. Mr. Brooks said that it was unlikely that C&E would want to begin work in that time frame. Ms. Richard said that the next regularly scheduled meeting after the 11th would have been on Christmas day. She said that it might be possible to schedule an emergency meeting if something came up. Mr. Buffum asked if it might be a good idea to schedule a meeting on the 18th. Ms. Richard said that she would

prefer not to schedule a meeting for that date. Mr. Buffum asked what the requirements are for an emergency meeting. Ms. Richard said that the charter did not have a procedure for calling an emergency meeting. She said that according to state law a meeting could be scheduled with 48 hours notice. She said that an emergency meeting procedure should be included in the bylaws.

Ms. Richard asked Mr. Brooks if he would have any scheduling conflicts if the board continued on the current every 2 weeks schedule. Mr. Brooks said that the current schedule should be ok.

Ms. Richard reminded the board members that they must file with the ethics commission in April, and that the deadline to declare candidacy for the June election would be the April 19th. She read a list of pertinent dates for the election and for meetings to be held through the end of the calendar year.

Mr. Brooks asked Ms. Richard if she would be seeking re-election. Ms. Richard said she would not.

4a – Correspondence. Ms. Richard reported sending a letter to PIUC in response to their letter, and having sent courtesy copies to Mr. Kinder and Ms. Greene.

Mr. Brooks asked for a motion to adjourn to executive session.

Mr. Hanson said that before adjourning, he wanted to be clear on what needed to be done in terms of researching engineering firms. He asked if a meeting with Northeast Engineering should be scheduled. Ms. Richard said she thought that all that was needed was a request for qualifications and a written proposal. Mr. Brooks said that it was his understanding that Northeast was willing to meet with representatives of the board during the week. Mr. Brooks said he would coordinate with Mr. Hanson about contacting engineering firms.

Mr. Brooks made a motion to adjourn to executive session, unanimously approved. The meeting adjourned at 3:35 p.m.

Patricia Richard, Clerk